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## **BEFORE THE**

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WASHINGTON, D.C.

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of	)		
Implementation of Section 17 of the Cable Television Consumer Protection and Competition Act of 1992	) ) )	ET Docket No. 93	-7
Compatibility Between Cable Systems and Consumer Electronics Equipment	) ) )		

### COMMENTS OF GENERAL INSTRUMENT CORPORATION IN SUPPORT OF PETITION FOR RECONSIDERATION OF NCTA

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Its Attorneys

July 28, 1994

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# COMMENTS OF GENERAL INSTRUMENT CORPORATION IN SUPPORT OF PETITION FOR RECONSIDERATION OF NCTA

General Instrument Corporation ("GIC") hereby files its comments in support of the petition for reconsideration filed by the National Cable Television Association ("NCTA Petition") in the above-captioned proceeding.

GIC joins NCTA in urging the Commission to clarify that the Compatibility Order's requirement that the Decoder Interface allow "access control functions to be separated from other functions" does not preclude cable operators from offering

Equipment Compatibility, First Report and Order, 75 R.R.2d (P&F) 152 (1994) ("Compatibility Order").

 $<sup>\</sup>frac{1}{2}$  Id. at ¶ 42.

component descrambler/decoders<sup>3</sup> that perform functions other than the signal access control function.<sup>4</sup>

While the Consumer Electronics Group of EIA ("CEG/EIA") also asked for clarification in this area, GIC is troubled that CEG/EIA's proposed clarification may itself lead to further The second prong of CEG/EIA's proposed clarification asks the Commission to specify that  $\P$  42 of the Compatibility Order requires that "cable operators be required to offer component descramblers which perform only signal access security functions."5 This clarification may be misinterpreted as foreclosing cable operators from providing component descrambler/decoders that perform both signal access security functions and other non-security functions, such as decompression, on-screen displays, etc. Indeed, certain parties have already misinterpreted ¶ 42 in precisely this fashion; the result has been periodic set backs in the ongoing negotiations between the cable and consumer electronics industries to devise a Decoder Interface standard. Given the August 15, 1994 deadline that the Commission has set for the industries to finalize the

<sup>&</sup>quot;Component descrambler/decoders" are devices connected to the Decoder Interface that process cable signals <u>after</u> they are received and processed by the TV/VCR, thereby allowing full use of TV/VCR features. <u>See</u> "Consumer Electronics and Cable System Compatibility," Report to the Congress, October 1993, at 10.

See NCTA Petition at 8-9.

<sup>&</sup>lt;sup>5</sup> CEG/EIA Petition for Reconsideration at 9-10 (emphasis in original).

Decoder Interface standard, the need for expedited clarification on this issue is compelling.

Limiting the services cable operators can offer through component descrambler/decoders will undermine the two overriding congressional and Commission objectives in this proceeding: assuring compatibility and enhancing consumer choice in the selection of cable equipment and features. The consumer choice objective will be frustrated because a consumer who purchases a new "cable ready" TV/VCR will be restricted to the cable features and functions implemented in the new TV/VCR. In addition, if the same features and services incorporated into set-top terminals cannot be offered by network providers through component descramblers/decoders, the compatibility objective will be frustrated in that broad-based consumer acceptance and proliferation of compatibility-enhancing component descramblers/decoders will never develop.

Consumer electronics manufacturers have repeatedly complained that cable systems disable functions that they build into TVs/VCRs. It would be an absurd result if the Decoder Interface designed to alleviate this problem winds up disabling features that network providers offer. The Decoder Interface should not become a vehicle for insulating consumer electronics manufacturers from competition.

See Compatibility Order at ¶ 41.

<sup>&</sup>lt;sup>7</sup> See NCTA Petition at 9.

The compatibility and consumer-choice objectives can best be achieved by establishing a robust Decoder Interface standard that facilitates the efficient passing of information and command signals back and forth between the consumer electronics equipment and the component descrambler/decoder(s). A robust, two-way interface will serve as a gateway that enhances the consumer's ability to take advantage of a wide array of products and features from numerous service and equipment providers, while also minimizing compatibility problems.

Indeed, this vision of a robust, two-way Decoder Interface is precisely the one that both the cable and consumer electronics industries previously agreed will best promote increased compatibility and consumer choice:

The Decoder Interface on the back of the TVs and VCRs allows appropriate signals to exit and enter the TV or VCR for external descrambling or decryption. It also conveys other signals which are necessary for supporting cable services other subscribers enjoy through the use of a set-top box. The goal of the Decoder Interface is simply to allow access to all cable services without requiring a set-top box which is connected between the cable system and the TV or VCR.8

This vision is also consistent with Chairman Hundt's insistence that consumer choice and marketplace forces -- not regulatory and judicial prescriptions -- should determine the viability of cable service offerings:

I absolute refuse to be misunderstood on my direction. I aim for this goal: [Cable's] growth and ... future should be determined by [its] customers, [its]

Supplemental Comments of the Cable-Consumer Electronics Compatibility Advisory Group, filed in ET Docket No. 93-7 on July 21, 1993, at 10 (emphasis added).

competitors and [its] creativity; not by regulators and courts.9

GIC fully supports this vision and urges the Commission to implement it here by clarifying that ¶ 42 of the <u>Compatibility</u> Order does not limit the security and non-security function combinations that cable operators may offer their subscribers through component descrambler/decoders.

<sup>9</sup> Chairman Reed E. Hundt, Speech Before the 43rd Annual Convention & Exposition of the National Cable Television Association, New Orleans, LA, May 24, 1994, at 1.

#### CONCLUSION

For the reasons set forth above, GIC respectfully urges the Commission to clarify that the <u>Compatibility Order</u>'s requirement that the Decoder Interface standard provide for separating access control functions from other functions does not preclude cable operators from offering component descrambler/decoders that perform functions other than the signal access control function. The Commission's primary objectives of enhancing compatibility and consumer choice will best be achieved by establishing a robust, two-way Decoder Interface standard.

Respectfully submitted,

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#### CERTIFICATE OF SERVICE

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